



City of San Jose Solar and Energy Efficiency Study Session

AB 32: The California Global Warming Solutions Act of 2006

James Goldstene
California Air Resources Board
January 25, 2007



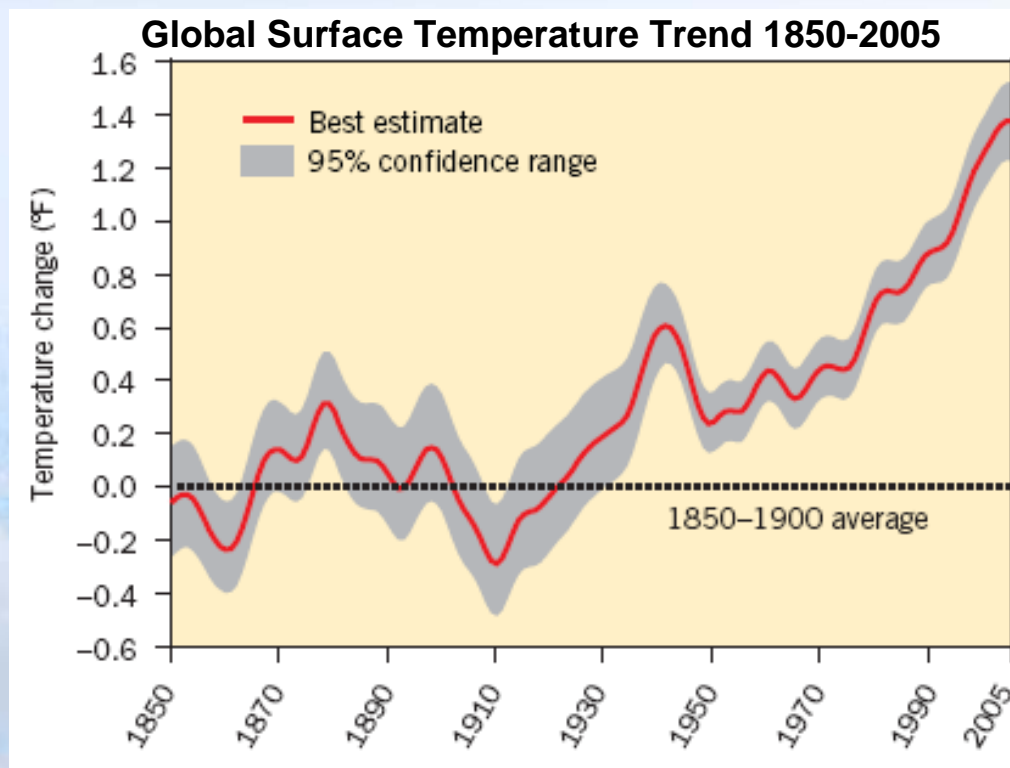
Overview

- California's Leadership
- Governor's Executive Order
- AB 32 Approach
- Timeline and Implementation
- Summary

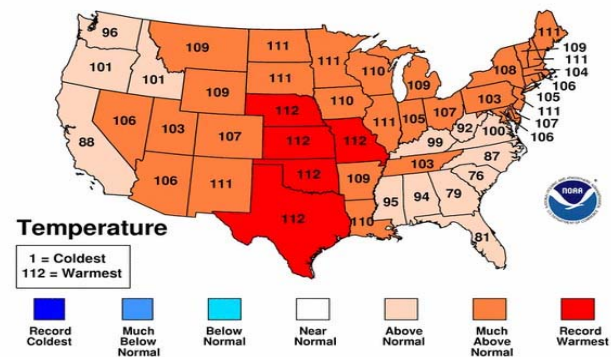


Global Temperatures

The World is Getting Warmer



January-June 2006 Statewide Ranks
National Climatic Data Center/NESDIS/NOAA



Nationally, June 2006 temperature was the second warmest June in the 112 year record (1895-2006).

Source: Brohan P., et al, 2006.



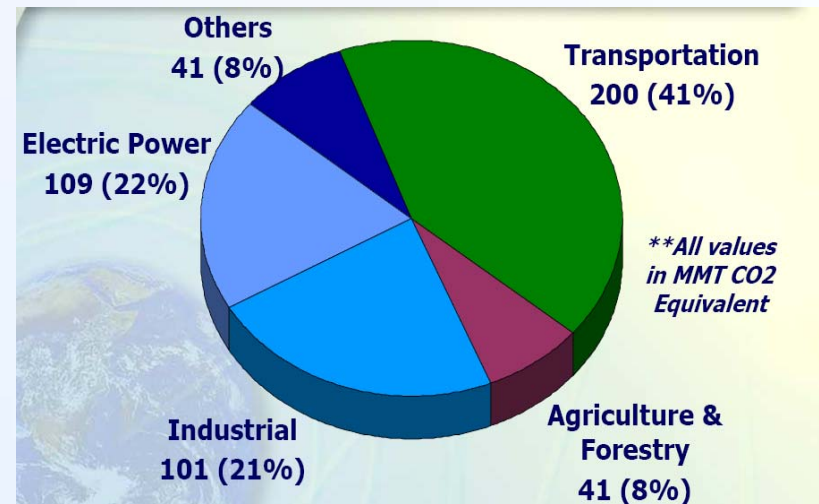
Climate Change Leadership

California Leads the Nation

- Motor Vehicle Standards
 - GHG reductions
 - Ongoing decreases in ozone forming pollutants
 - Diesel risk reduction plan
- Energy Efficiency Standards
- Renewable Portfolio Standard

Encourage Investment in GHG Technology

- World Market Potential



Sources of California's Climate Change Emissions in 2004



Governor's Executive Order

- **Greenhouse gas reduction targets**
 - By 2010, reduce to 2000 levels*
 - By 2020, reduce to 1990 levels**
 - By 2050, reduce to 80% below 1990 levels

* Equals about 60 million tonnes emission reduction, 11% below business as usual

** Equals about 174 million tonnes emission reduction, 30% below BAU



AB 32 Approach

- Sets in statute Governor's 2020 GHG reduction target
- ARB is state agency charged with monitoring and regulating sources of emissions of greenhouse gases in order to reduce emissions
- Climate Action Team continues to coordinate statewide climate policy



Climate Action Team

- Multi-agency team of Department Directors
- Chaired by CalEPA Secretary
- Charged with recommending strategies
- The CAT will:
 - ✓ Evaluate strategies to meet targets (more than 40 strategies identified)
 - ✓ Report to Governor and Legislature
 - ✓ Final report released April 2006



Climate Change Program Key Provisions

- **Monitor and regulate GHG emission sources**
 - Adopt early action measures and GHG emissions reduction plan
 - Adopt 2020 statewide GHG emissions limit based on 1990 levels
 - Establish mandatory reporting rules for GHG emissions sources
 - Establish program to achieve quantifiable, cost-effective GHG emission reductions via regulations, market mechanisms and other actions



Criteria for Climate Change Measures

- **Design regulation to be equitable, minimize cost, and encourage early action**
- **No disproportionate impact on low income communities**
- **Credit for early voluntary reductions**
- **Complement criteria pollutant strategies**
- **Consider cost-effectiveness**
- **Consider overall societal benefits**



AB 32 Timeline

- 1/1/07: ARB maintains statewide inventory
- 6/30/07: List of discrete early actions
- 1/1/08: Mandatory reporting of emissions
Adopt 1990 baseline/2020 target
- 1/1/09: Scoping plan of reduction strategies
- 1/1/10: Regulations to implement early action items
- 1/1/11: Regulations to implement scoping plan



Implementation Timeline (Through Scoping Plan Approval)

2007				2008				2009			
1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q

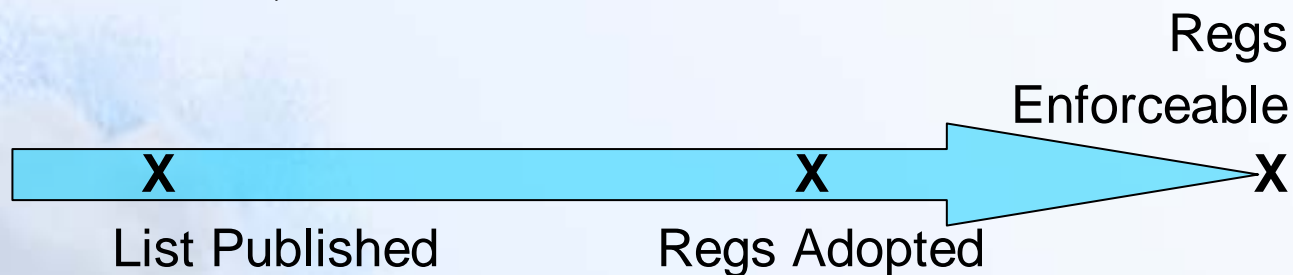
2020 Limit



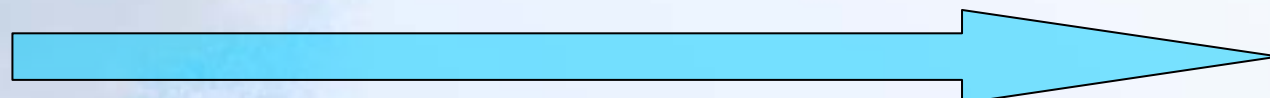
Mandatory Reporting



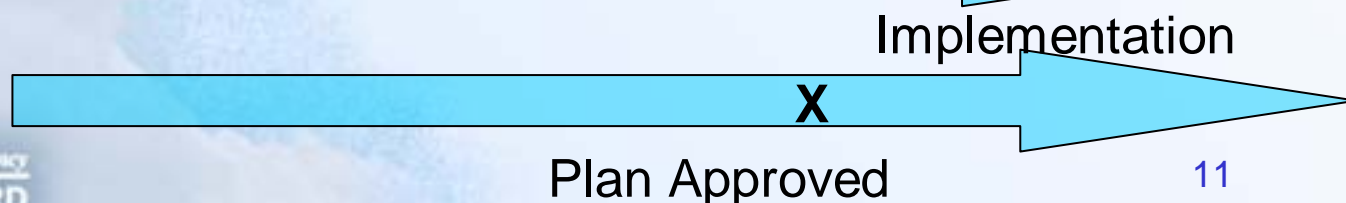
Discrete Early Actions



Voluntary Action



Scoping Plan





Implementation Timeline (Rulemaking)

- **Discrete early action list**
 - Early 2009
- **Other near term actions that do not meet early action timing**
 - 2009, 2010
- **Regulations to implement scoping plan**
 - 2010



Implementation

- **Open, transparent process**
- **Intensive consultation**
 - CalEPA
 - Climate Action Team
 - National and international experts
 - Stakeholders
- **Advisory Committees**
 - Environmental Justice
 - Economic and Technology Advancement
 - Market advisory committee
- **Compatibility with other jurisdictions**
 - Need to look outward



Summary

- Major initiative with new responsibilities for ARB
- Develop model program others will use
- Balance between traditional regulation and market-based mechanism to meet goals
- Can not take away from other ARB priorities



For More Information

ARB Climate Change web page
www.arb.ca.gov, click on Climate Change link

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James Goldstene
(916) 445-8449
jgoldste@arb.ca.gov